

**Department of Legislative Services**  
Maryland General Assembly  
2002 Session

**FISCAL NOTE**

House Bill 1100  
Economic Matters

(Delegate McClenahan, *et al.*)

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**Perpetual Care Trust Funds - Reporting Requirements**

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This bill exempts a sole proprietor registered cemeterian or permit holder who is subject to perpetual care trust fund (PCTF) provisions from the requirement to have a certified public accountant certify the correctness of a required annual report submitted to the director of the Office of Cemetery Oversight (OCO), if the sole proprietor is reporting less than 25 sales of burial lots or burial rights for the reporting year.

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**Fiscal Summary**

**State Effect:** Potential minimal decrease in general fund fee revenues.

**Local Effect:** None.

**Small Business Effect:** Potential minimal.

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**Analysis**

**Current Law:** A sole proprietor registered cemeterian or permit holder subject to PCTF provisions must keep detailed records of all sales of burial lots or burial rights and the money received. These records are subject to examination by:

- the director of OCO;
- the Attorney General or authorized representative; and
- the State's Attorney for the county where the cemetery owner does business or where the cemetery is located.

At the close of the calendar year, or other fiscal year chosen by the cemeterian, each cemeterian must submit a report to the OCO director that includes detailed information on amounts of money received, deposited, and spent relating to PCTFs. The reports must be certified as to correctness by a certified public accountant.

**Background:** For cemeteries created prior to October 2001, the establishment of a PCTF was required only if perpetual care was stated or implied; however, many cemeteries established and maintain a PCTF voluntarily.

The annual report to OCO requires a \$25 filing fee, and OCO reports that CPA fees can range from \$500 to a few thousand dollars, depending on the annual sales of a PCTF cemetery.

Chapter 186 of 2001 exempted a cemetery owned and operated by a State veterans agency from the statutory provisions relating to perpetual care cemeteries.

**State Fiscal Effect:** Fiscal 2003 general fund revenues could decrease minimally if some cemeteries were exempted from the reporting requirements and would not have to pay the \$25 to OCO. While it is unknown how many cemeteries would be exempted, the impact of lost fees is expected to be negligible.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Labor, Licensing, and Regulation; Department of Legislative Services

**Fiscal Note History:** First Reader - March 5, 2002  
lsc/jr

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